

**DELEGATION OF AUTHORITY  
GENERAL, ADMINISTRATIVE, MISCELLANEOUS**

Audit Management Functional Responsibilities

1. **AUTHORITY.** To designate Region 10's Audit Management Official and to establish procedures to strengthen the audit management procedures, to implement the reporting requirements of the Inspector General Act Amendments of 1988 (P.L. 100-504) on the status of follow-up on Office of Inspector General (OIG) audit report recommendations; to implement the policies and procedures of Office of Management and Budget (OMB) Circular A-50 (1982 Revised) that guide the operation of audit follow-up systems and OMB Circular A-133 (1997) that provide uniform single audit requirements for all non-Federal entities; and to provide minimal recommended practices to make the Regional audit management process more efficient.

"EPA Audit Management Process" Manual 2750 CHG 2 (12/3/98) addresses audit follow-up requirements from the Inspector General Act Amendments of 1988, establishing procedures with respects to the notification of an audit; the entrance conference; progress meetings; position paper discussions; the exit conference; the response to the audit report; the resolution and management decision; and the follow-up implementation of corrective actions.

It is the policy of Region 10 to effectively and appropriately respond to and resolve all [Performance (internal), Financial and Compliance (external)] audits in a timely manner that ensures the completion of all follow-up corrective actions and to keep senior management informed about sensitive or significant audit issues. Strong emphasis is placed on developing audit management operating protocols with the Office of the Inspector General (OIG) and roles and responsibilities as recommended in "EPA's Audit Management Process" manual.

2. **TO WHOM DELEGATED:**
  - a. **Audit Management Official:** The authority to act as the regional Audit Management Official is delegated to the Assistant Regional Administrator, who will be responsible for the Region's overall audit management process.
  - b. **Audit Follow-up Coordinator:** The regional Audit Follow-up Coordinator (AFC) will be designated by the Assistant Regional

Administrator. The AFC will be responsible for the Region's day-to-day audit management process. The AFC shall report to the Audit Management Official for non-grant issues and the Grants Management Officer for grant issues to assure responses and resolutions of audits in the Region are timely and complete.

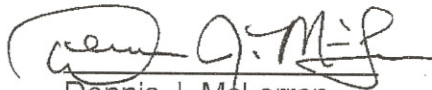
- c. Action Official: The authority to act as the regional Action Official is delegated through the Assistant Regional Administrator to the Grants Management Official, or equivalent. The Action Official is responsible for responding on behalf of the Region to the draft or final report for all actions required to deal with the specific audit. This response, called the management decision, applies to both performance audits and financial and compliance audits.
- d. Each person to whom authority is delegated or redelegated retains the authority.

### 3. LIMITATIONS.

- a. Assistance agreement reports are the responsibility of the Regional Administrator (RA) or designee.
- b. Internal reports are the responsibility of the RA or other senior official.
- c. All OIG reports in which the aggregate value of Questioned Costs exceeds or is equal to \$250,000 require OIG concurrence on the proposed Management Decision before the Action Official issues it to the assistance recipient.
- d. The Divisional Inspector General (DIG) shall in a timely manner notify the AFC of a proposed audit. The AFC will arrange for the entrance conference with the appropriate Action Official, provide a meeting room, notify managers of any special requests, meet with managers and auditors at any progress meetings that are held during the audit, and attend the exit conference. The AFC will distribute copies of the draft or final report to the appropriate Agency personnel and have a substantial role in preparing an appropriate response to the report. The AFC will assure the DIG the response positively represent the office's position. The AFC will monitor the progress of audit resolution and alert the Action Official to any problems that may arise. He/she will track the progress of corrective actions and provide the Agency Audit Follow-up Coordinator, through the Action Official, with required quarterly reports.

4. SUPERSESSION. This delegation supersedes R10 7-2750.2 (06/19/2013) and any other delegation of the same authority.
5. ADDITIONAL REFERENCES:
- a. The Federal Managers' Financial Integrity Act of 1982.
  - b. The Inspector General Act Amendments of 1988.
  - c. OMB Circulars A-50 (Revised 09/29/82) and A-133 (1997).
  - d. EPA Order 2780.1B (5/11/84) "GAO Audits: Agency Relationships with GAO and Responsibilities for Follow-up Actions."
  - e. EPA Manual 2750, Audit Management Procedures, dated 9/28/12.
  - f. Charles L. Grizzle, Assistant Administrator's memo of December 22, 1989, with attached "Policy on Strengthening EPA's Audit Management Capability."
  - g. Inspector General Act of 1978 (P.L. 95-452); Inspector General Act Amendments of 1988 (P.L. 100-504); OMB Circular A-50 (1982 revised), "Audit Follow-up," and OMB Circular A-133 (1997), "Audits of States, Local Government, and Non-Profit Organizations."

6/2/16  
Date

  
Dennis J. McLerran  
Regional Administrator